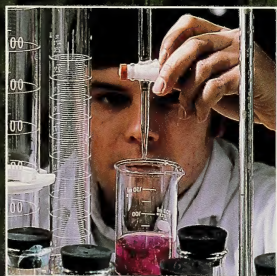


Economic
Development
And Trade

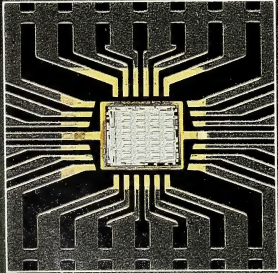
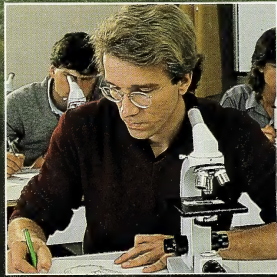
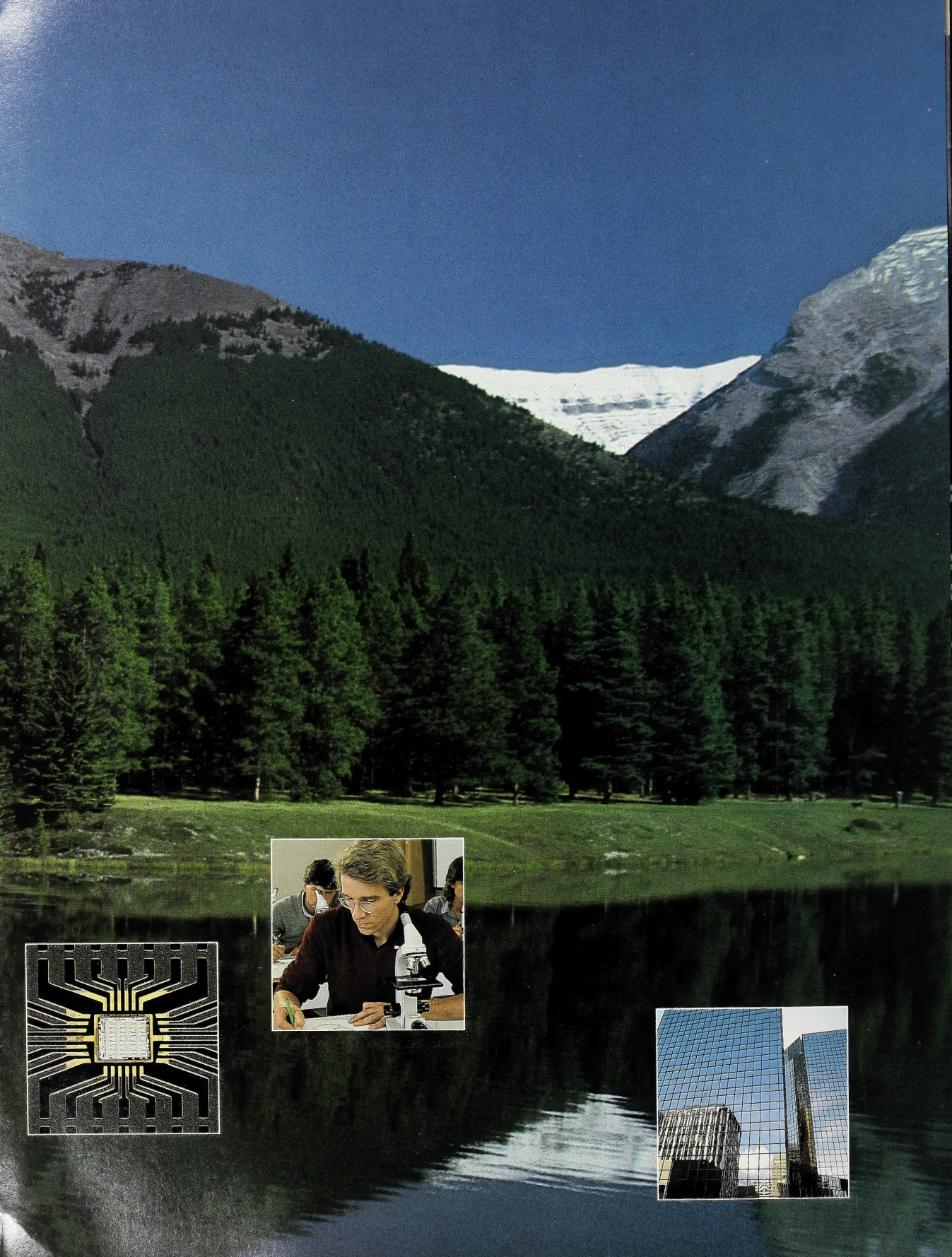


A Profile of Canada's Olympic Province



Alberta
CANADA 

OPPORTUNITY
Unlimited



Alberta '88: Come for the Olympics. Stay for the Opportunity!



You'll want to be in Alberta from February 13 to 29, 1988. That's when the world's finest athletes will be competing in the XV Olympic Winter Games. You may want to bring your skis, too. (After all, some of the finest skiing in the world is just a short drive away.)

Be sure you bring your briefcase along. When you see our province first-hand, you'll be glad you did. Although you may come to see the Olympics, you'll want to stay to explore the business and investment opportunities.

BEYOND THE OLYMPICS:

Other compelling reasons to put Alberta on your 1988 agenda

A young province in a young country, Alberta is one of the most dynamic business regions in North America. A diverse economy, vast natural resources, a free enterprise government and an attractive business climate - these advantages have earned Alberta international recognition as the "province of opportunity."

BUSINESS AND INVESTMENT OPPORTUNITY

Alberta's personal income tax and corporate tax rates are among the lowest in Canada. There is no retail sales tax. Qualifying small manufacturers pay no provincial taxes at all. With an assured supply of competitively-priced energy resources, a growing economy and a highly-trained work force, the opportunities to succeed are strong.

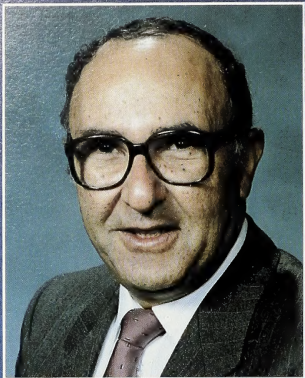
Alberta's advantages include a superb infrastructure in transportation, communications, education and health care, and world class facilities in science and technology.

The Alberta Government says "yes" to free enterprise and welcomes international investors. In a province known for social and political stability, the opportunities are unlimited for investment, for trade, and for tourism.

WINTER - THE CLIMATE OF OPPORTUNITY

It seems that Albertans are born innovators. Today, we're even exploring ways of turning winter into a business advantage, of capitalizing on our climate. In fact, this new concept will bring the winter world together at the international Winter Cities Showcase in Edmonton, from February 15 to 19, 1988.

The timing couldn't be better! These dates give you the opportunity to take in Edmonton's Winter Cities Exposition and Forum, when you're in Alberta for the Calgary Olympics.



*'In February, 1988,
Alberta will host the XV
Olympic Winter Games.
We hope you will join us
for this world-scale
event.'*

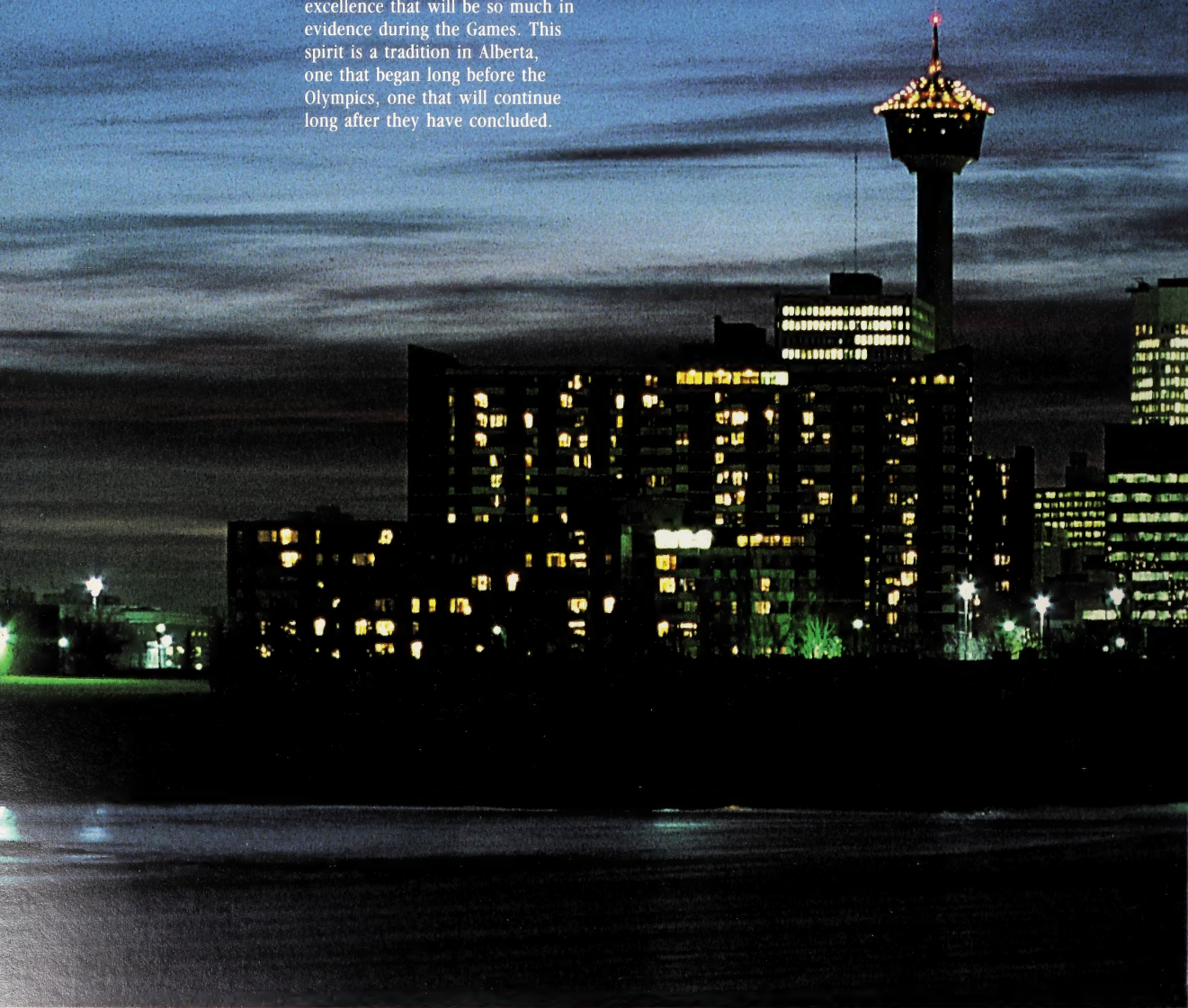
If you're among the thousands planning to be in Alberta for the Games, please let us know. Before or after your Olympic experience, we'd like to introduce you to the right people, the right places and be sure you make profitable business connections.

You'll be impressed by the people, the places and the diversity you discover in Alberta. You'll also be impressed by the spirit of excellence that will be so much in evidence during the Games. This spirit is a tradition in Alberta, one that began long before the Olympics, one that will continue long after they have concluded.

Whether or not you attend the XV Olympic Winter Games, you'll find this Profile provides a fascinating introduction to Alberta. If you would like to learn more about our dynamic business community, we invite you to visit or call at any time, to explore the business and investment opportunities in Canada's Olympic Province.

A stylized, handwritten signature of Larry R. Shaben in dark ink.

Larry R. Shaben, Minister
Alberta Economic Development
and Trade



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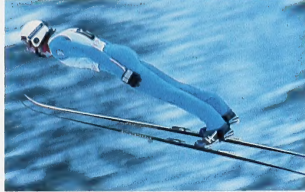
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Explore the Opportunities in Canada's Olympic Province



THE PROVINCE

When Calgary hosts the XV Olympic Winter Games in 1988, the world will come to realize what astute investors and international business leaders have known for years. Alberta is truly Canada's opportunity province, particularly in the areas of investment, trade and tourism.

First, its natural advantages. Almost identical in size to the state of Texas, or three times the size of the United Kingdom, Alberta is a land of striking contrasts. The spectacular Rocky Mountains and rolling foothills extend along the province's western border, while beautiful range-land and prairies unfold to the east. Northern Alberta is a land of secluded lakes and rivers and virtually untouched wilderness, while southern Alberta's pre-historic badlands are still marked with the footprints of dinosaurs left millions of years ago.

The same forces which gave Alberta this fabulous scenery also left a priceless inheritance – natural resources that include rich agricultural land, abundant energy supplies and forests that cover over half the province's area. We also appreciate the long-range value of our abundant fresh water resources, and place a high priority on sound water resource management.

Together, these advantages have fueled the rapid transformation of

Alberta from a frontier territory just 150 years ago, to one of the world's most modern and highly-developed regions today. Over 2.4 million Albertans enjoy a quality of life which is second to none, encompassing superb educational, health care, cultural and recreational systems. Approximately half of the province's population lives in the two major cities of Edmonton and Calgary, both sophisticated urban centres with strong social and cultural communities.

THE POTENTIAL

Culturally diverse, politically stable and environmentally secure, Alberta has developed an infrastructure which ranks among the best in the world. Communications and transportation systems have diminished the distances which once separated Alberta from world trading centres and key markets. Two domestic international airlines and other international airlines provide regular service to the province's two international airports.

In capitalizing on these strengths, Alberta has developed its potential in agriculture and energy and has opened up new areas of opportunity in a diverse range of industries. From high technology to high fashion, Alberta business has proven to be committed, competitive and capable of penetrating global markets. Alberta companies export to 120 countries around the world, and over the past few years have recorded annual sales of over \$11.5 billion.

Impressive as this may seem for a province just now entering its ninth decade, even greater opportunities lie ahead for Alberta and its international partners, in continuing to develop this potential.



A strong financial community within the province includes many international institutions, and telecommunications capabilities provide voice and data links with the Toronto and New York stock exchanges.

Close proximity to the United States, Alberta's leading trading partner, gives the province's business and investment community a competitive edge, as do continually strengthening trade ties with countries in every sector of the world.

OPPORTUNITIES IN TRADE

International trade, already a key component of our economic profile, represents an area of outstanding opportunity for both Alberta business and our international partners.

Alberta goods and services are competitive throughout the world. Our business community has developed an international reputation for quality and service. In 1986, Alberta exported an estimated \$11.5 billion worth of goods and services, which represented approximately 21% of the province's Gross Domestic Product.

Buyers from around the world come to Alberta for a variety of manufactured products and professional services. The Alberta Government welcomes these international buyers by hosting incoming trade delegations. Marketing missions and active participation in international trade expositions also enhance Alberta's trade opportunities. In addition, the government maintains international offices in New York, Los Angeles, Houston, London, Hong Kong and Tokyo.

Alberta is committed to an open trading environment. As growing international protectionism poses a threat to the prosperity of all trading nations, the Alberta Government has supported a comprehensive free trade agreement between Canada and the United States. In addition, the government supports a new round of Multilateral Trade Negotiations, involving the signatory countries to the General Agreement on Tariffs and Trade (GATT).

OPPORTUNITIES IN TOURISM

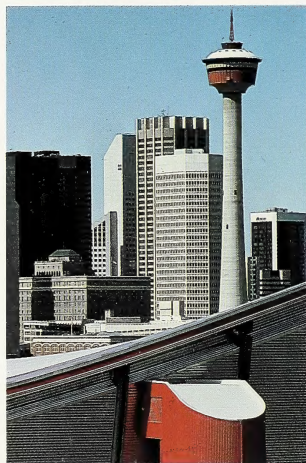
Tourism is one of Alberta's leading opportunity industries. Already a strong contributor to the provincial economy, tourism generated \$2.3 billion in revenues in 1986 and employed 74,000 Albertans. Just over half of this revenue came from out-of-province visitors, from the United States, the United Kingdom, continental Europe, Japan and other provinces in Canada.

Even greater opportunities for the industry lie ahead. According to the United Nations, tourism will be the world's leading industry by the year 2000. Alberta is in a strong position to capture an increased share of this growing market base.

The lure of the spectacular Rocky Mountains would alone give the province a competitive advantage. However, Alberta has attractions that extend far beyond the Rockies, including four World Heritage Sites, Canada's largest share of national and provincial parks space, and extensive recreational and accommodation facilities.

Annual events such as the Calgary Stampede and Edmonton's Heritage Days Festival and Klondike Days attract visitors to take part in celebrating our diverse social traditions. Indeed, to a large extent, Alberta's global identity rests on its cultural diversity. Visitors from every region of the world feel a comfortable sense of familiarity in Alberta. A mosaic of the world's races, religions and ethnic groups is found in Alberta, from the descendants of the original Plains Indians and British, French, German and Ukrainian settlers, to more recent arrivals from the Middle East, the Orient, India and Africa.

The 1988 Olympic Winter Games in Calgary and Olympic Arts Festival provide a "window of opportunity" for promoting tourism in Alberta. With promotional strategies to build on this prestigious event now being implemented, and with the long-term benefits now in place, Alberta's future as a major tourism destination is assured.



OPPORTUNITIES IN INVESTMENT

Alberta's strengths as a promising location for investment go far beyond our natural resources and highly-developed infrastructure. Added to these are demonstrated expertise in frontier technologies, a highly-educated and productive workforce, a stable social climate and a free enterprise government.

Alberta offers tremendous potential for investors, who find the exchange rate on the Canadian dollar to be attractive. Progressive programs and policies established by the government to reinforce private initiative have seen the emergence of a diverse range of high-return industries, most notably in fields related to advanced technology, and have created a high degree of investor confidence in the province's future.

International investors have demonstrated a substantial level of interest in the Business Immigration Program, through which immigration status is granted to those who invest in job-generating enterprises in Canada. This federal government program is administered on a provincial basis, and has further encouraged investment in Alberta's opportunity industries.





Business Environment: The Climate of Opportunity



To a large extent, Alberta's attractive investment environment may be traced to the positive impact of the Alberta Heritage Savings Trust Fund. The Heritage Fund was created by an act of the Legislature in 1976, to save a portion of the non-renewable resource revenues the province receives from oil, natural gas, and coal resources. Over the past decade, the Heritage Fund has accumulated an asset base that is worth approximately \$12.7 billion.

Investment income from the Heritage Fund totalled \$1.4 billion in 1986/87, or approximately 20% of total provincial revenues. As a result, the Heritage Fund has been a key factor in minimizing the level of taxation in Alberta.

ALBERTA'S TAX STRUCTURE

Alberta is the only province in Canada which does not have a provincial sales tax. With no sales or restaurant taxes, the province has the most moderate tax regime in Canada. Alberta also has the lowest personal income tax rate of any province. Since the provincial government pays a significant part of education funding, property owners pay moderate property taxes.



CORPORATE TAXES— AMONG THE LOWEST IN CANADA

The tax system affecting business in Alberta is designed to encourage investment, with a general corporate tax rate of 15% for large corporations and a tax rate of 5% for small business. The tax rate on manufacturing and processing income of large corporations is 9%, while small business manufacturers and processors pay no provincial corporate taxes.

The federal government's corporate rate is 36% of taxable income (15% for small business, 30% for manufacturing carried out by large businesses and 10% for manufacturing carried out by small businesses).

Table 1 Comparative Provincial Tax Rates – 1987^a

	Personal Income Tax			Retail Sales Tax	Gasoline Tax	Tobacco Tax	Health Care Premiums		Corporate Income Tax		Capital Tax	Payroll Tax	Insurance Premiums Tax ^d
	Basic Rate	High Income Surtax	Flat Rate Tax				Individual	Family	Small Business Rate ^b	General Rate ^c			
	(%)	(%)	(%)	(%)	(\$/litre)	(\$/pack/25)	(\$)	(\$)	(%)	(%)	(%)	(%)	(%)
British Columbia	51.5	—	—	6	7.1	.97	216	456	11	15	0.2	—	2/3
Alberta	46.5	8.0	1.0	—	5.0	1.00	216	432	0/5	9/15	—	—	2/3
Saskatchewan	50.0	12.0	1.0	5	—	1.02	—	—	0/10	17	0.5	—	2/3
Manitoba	54.0	20.0	—	6	8.9	1.03	—	—	10	17	0.3	1.50	2/3
Ontario	50.0	3.0	—	7	8.30	.71	357	714	0/10	14.5/15.5	0.3	—	2/3
Quebec	70-85	—	—	9	13.6	1.13	—	—	0/3.22	5.9/13.9	0.48	3.22	2/3
New Brunswick	58.0	—	—	11	7.7	1.03	—	—	5/9	15	—	—	2/3
Prince Edward Island	55.0	—	—	10	9.0	.88	—	—	10	15	—	—	2
Nova Scotia	56.5	—	—	10	8.9	.88	—	—	0/10	15	0	—	2/3
Newfoundland	60.0	—	—	12	9.8	1.19	—	—	10	16	0	—	3

a 1987 rates as known March 2, 1987.

b The 0% rate applies to new start-up small businesses except in Alberta where it applies to manufacturing and processing income. Saskatchewan's 0% rate applies to both. New Brunswick's 5% rate applies to small businesses with income of \$100,000 or less.

c In Alberta, the lower rate applies to manufacturing and processing income. In Ontario, the lower rate extends to all primary industries. In Quebec, the lower rate applies to all active business income.

d The lower rate applies to premiums for life, sickness and accident insurance.





WAGES AND PRICES— A STABLE ENVIRONMENT

Alberta has a stable wage and price environment. Annual wage increases have been below the national average in recent years, as has the annual rate of inflation. Even so, the province's per capita productivity, as measured by the GDP, was \$22,960 in 1986 – the highest in Canada.

REGULATORY CLIMATE

The Alberta Government appreciates that, while regulatory procedures are important, business cannot operate efficiently when encumbered by the paper burden associated with overly-complex and restrictive procedures.

ALBERTA'S LABOUR FORCE— EDUCATED AND PRODUCTIVE

The provincial government is firmly committed to the continued development of a skilled workforce that is competitive in a dynamic global economy.

Indeed, the province's participation rate (the percentage of the population 15 years of age and older in the labour force) was 72.1% in 1986 – the highest rate in Canada. Alberta also has historically had one of the lowest unemployment rates in the country. A young province, Alberta has a young population, with 40.4% of all Albertans under the age of 25 years.

To meet the education and training needs of this population, the Advanced Education System currently has 34 post-secondary institutions. This includes four universities, three technical institutes, 11 public colleges, four private colleges, four Alberta Vocational centres, the Alberta Petroleum Industry Training Centre, community vocational centres and the Banff Centre. There are also six schools of nursing affiliated with hospitals.

Apprenticeship and certification programs cover 51 designated trades. Alberta Career Centres provide career information, vocational and educational counselling, testing and referrals for training. Immigration and Settlement services in Calgary and Edmonton facilitate entrepreneurial immigration aimed at encouraging the province's economic development.

LABOUR POLICY AND RECORD

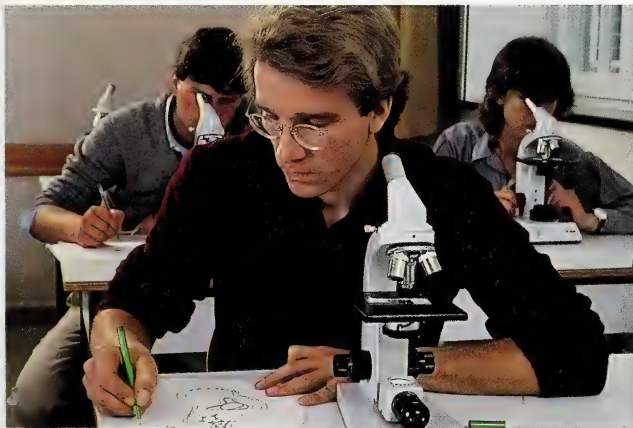
While strikes and lockouts during the negotiation or renegotiation of collective agreements are generally permitted, certain procedural requirements must be met before such action can be taken. Over the past decade, the number of person-days lost in Alberta due to strikes has been well below the Canadian average.

GOVERNMENT AND POLITICAL STABILITY— FREE ENTERPRISE TRADITIONS

As one of 10 Canadian provinces and two territories linked in a federal system of government, Alberta has inherited the traditions of British parliamentary democracy. Legislative authority is vested in an assembly composed of 83 elected representatives and a Lieutenant-Governor, the Queen's representative in Alberta.

The Premier and Cabinet Ministers are elected members of the Legislative Assembly (MLA's) and are responsible to the assembly. Although members are individually elected, most belong to a political party. The Progressive Conservatives, currently led by Premier Don R. Getty, have governed Alberta since 1971. General elections are normally held every four years.

Alberta has a long history of political stability. The province has been governed by proponents of the free enterprise system for more than 50 years. This philosophy has been a major attraction for foreign investors and residents alike.





The Alberta Economy: Dynamic – Diverse



Strategies to capitalize on Alberta's traditional strengths of energy and agriculture, and to use this economic foundation as a springboard to growth and diversification have been in place for more than a decade – and have proven effective. With the advantages of one of the most favourable tax regimes in Canada, with a highly educated productive work force and with one of the world's most sophisticated infrastructures in place, Alberta's business community has proven itself to be one of the most innovative – and one of the most aggressive – in the world.

STRUCTURE OF THE ECONOMY

The increasing diversification of Alberta's economy is apparent in a review of the province's employed labour force by industry. In 1986, Alberta's average employment totalled over 1.14 million. Energy and agriculture – the building blocks of the Alberta economy – together accounted for approximately 14% of Alberta's total employed labour force. Community, business and personal services contributed more than 33% of the province's employment, while wholesale and retail trade was also significant with 18.7% of total employment. Considerable

strength was demonstrated in the province's dynamic manufacturing industries, which accounted for 7.8% of employment. Transportation and communications were also significant with 8.1% of the total employment, as well as construction which contributed just under 6%.



OPPORTUNITIES

While private enterprise has diversified into a multitude of industries, particular strength has been demonstrated in the areas of telecommunications, advanced technology, research and development. In fields as diverse as mobile communications and computer-aided medical research, Alberta has earned an international reputation as a leader in advanced technologies. This expertise has provided a wide range of businesses with a competitive edge, as industry has incorporated advanced methods of production into traditional industries.

Alberta business has capitalized on the opportunity to diversify into a number of high-potential sectors. Just a few of those which have demonstrated strength and offer long-range prospects for growth include:

CHEMICALS AND CHEMICAL PRODUCTS

Corporations have diversified into new products and have made strong inroads in the competitive world petrochemical markets. Plastics manufacturers and packagers have also demonstrated strong growth.



Table 2 Alberta Employed Labour Force By Industry – 1986

INDUSTRY	EMPLOYMENT (Thousands)	% SHARE
Agriculture	87	7.6
Energy & Other Primary*	70	6.1
Manufacturing	89	7.8
Construction	67	5.8
Transportation & Communications	93	8.1
Wholesale & Retail Trade	214	18.7
Finance, Insurance & Real Estate	58	5.1
Community, Business & Personal Services	383	33.4
Public Administration	85	7.4
Total Employed	1,146	100.0

* Energy & Other Primary includes oil and gas, coal mining, logging, fishing and trapping

Source: Statistics Canada



COLD REGION TECHNOLOGY ADAPTATIONS

A leader in cold-climate product development and service technology, Alberta's innovation in transportation, urban infrastructure development and energy efficient housing is recognized throughout the over 30 countries which experience a winter climate.

CONSUMER PRODUCTS MANUFACTURING

This is one of Alberta's dynamic growth industries. Alberta's fashion industry, today a \$1.2 billion business, has demonstrated international potential in both fashion design and manufacturing.

DATA HANDLING AND PROCESSING

Alberta's expertise in advanced technologies provides excellent opportunities as a base for remote sensing and data handling, computer software, geophysical data processing, seismic measurement and other related services.

ELECTRONICS/MICROELECTRONICS

Manufacturers of telecommunications products, instrumentation and process control systems and aerospace equipment are experiencing strong growth.

ENGINEERING AND TECHNICAL SERVICES

The expertise and services of Alberta firms are in demand around the world, in both consulting and training capacities.

FILM AND VIDEO

The growing reputation of the province's own film industry has been matched by an increasing number of international productions filmed in Alberta, including Superman I, II and III, Dr. Zhivago, Little Big Man and Quest For Fire.

FORESTRY

This industry has grown remarkably in the last few years by developing and manufacturing new products like oriented strand-board and medium-density fibreboard.

FOOD AND BEVERAGE

From packaged goods to bottled water, companies have diversified into profitable new areas over the past decades, resulting in a tremendous level of activity and real growth in this industry.



HEALTH CARE AND BIOTECHNOLOGY

Success in this sector rests on the high standards and innovation of companies offering products to the world-wide pharmaceutical, biotechnology and medical industries.

INFORMATION AND COMMUNICATIONS SYSTEMS

Alberta companies manufacture and supply advanced technology, and are active in international markets as well as within the province. Indeed, the province has engineered the largest mobile radio communications network in North America, and is marketing its mobile expertise around the world.

Table 3 Alberta Economic Indicators – 1986

GROSS DOMESTIC PRODUCT	
GDP at Market Prices (\$ Million)	54,737
GDP Per Capita (\$)	22,960
PRIVATE AND PUBLIC INVESTMENT (\$ Million)	
Total Investment	16,142
Capital Expenditures	12,477
Repair Expenditures	3,666
LABOUR MARKET	
Population (Thousands)	2,385
Labour Force (Thousands)	1,271
Employment (Thousands)	1,146
Participation Rate (%)	72.1
INCOME AND PRICES	
Average Weekly Earnings (\$)	449
Wages and Salaries (\$ Million)	23,542
Consumer Price Index (% Annual Change 1985/86)	3.45
RETAIL SALES (\$ Million)	14,199
MANUFACTURING SHIPMENTS (\$ Million)	15,435
EXTERNAL TRADE—GOODS AND SERVICES (\$ Million)	
Exports	11,500
VALUE OF MINERAL PRODUCTION (\$ Million)	
	17,463

Source: Alberta Bureau of Statistics
Conference Board of Canada



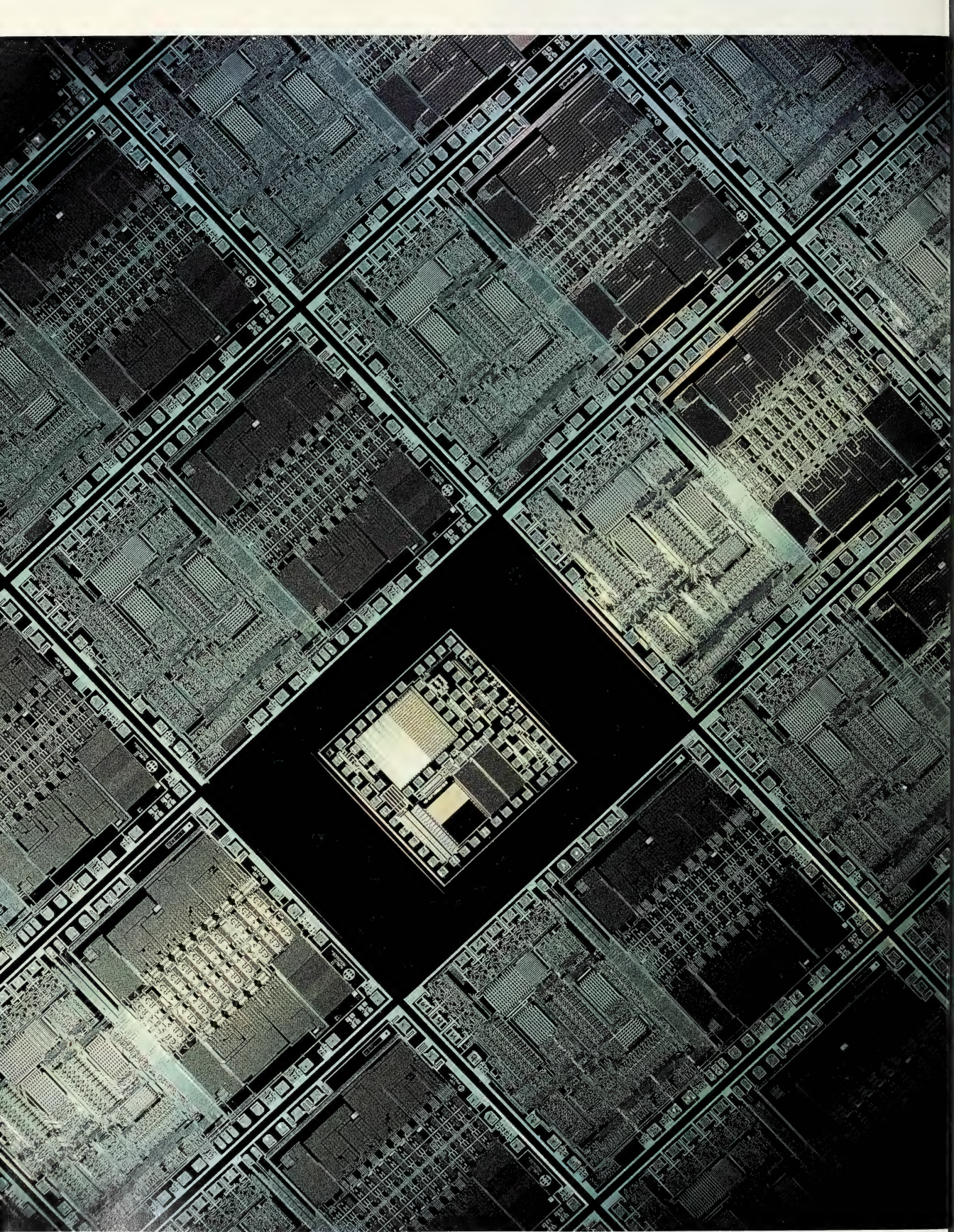
OILFIELD MANUFACTURING AND SERVICES

Alberta companies utilize advanced technology and computerized facilities to manufacture equipment and provide specialized services, and have successfully penetrated the global oil industry market.

TOURISM AND RECREATION

While the Alberta Government retains stewardship over natural resources, parks and wildlife, an increasing emphasis has been placed on private sector activities, creating new avenues for business to become involved in one of Alberta's leading "opportunity industries."





Creating Opportunities for Private Initiative



The continued diversification of Alberta's economy is a major objective of the Alberta Government, which looks to the private sector to play a leading role in capitalizing on the province's tremendous economic potential. For its part, government acts as a catalyst, encouraging free enterprise by creating a climate of opportunity in which business can grow and diversify. To this end, the government has developed policies which build on traditional strengths, remove obstacles and sustain a stable investment climate.

Establishing the Alberta Heritage Savings Trust Fund was a key step in developing diversification strategies. The Heritage Fund has provided the financial means to undertake initiatives to enhance Alberta's attractiveness as a place to invest, and has enabled the province to maintain a competitive tax regime — an essential component of our diversification strategies. Equally important has been the creation of an extensive infrastructure in education, transportation, communications and health care — all of which are key factors in economic growth and diversification.

World class facilities in science and technology — such as the Electronics Test Centre, the Alberta Microelectronic Centre, the Al-

berta Research Council and the Alberta Heritage Foundation for Medical Research — have all been established to expedite the province's development as an advanced technology centre.

At the same time, superb tourism facilities have been developed within the province to augment traditional visitor destinations.

These new Alberta attractions include the Tyrrell Museum of Palaeontology and the Head-Smashed-In Buffalo Jump World Heritage Site, and all-season recreational facilities such as Kananaskis Country and venues for the XV Olympic Winter Games.

Alberta has one of the strongest small business communities in Canada, a thriving community of entrepreneurs which, over the past few years, has created 70% of all new jobs in the province. Given this level of activity, coupled with the role small business plays in expanding trade performance, government policy and programs have been designed to reinforce private initiative. On one level, the government has assisted in creating sources of equity capital and liquidity, establishing the Alberta Stock Exchange and encouraging the formation of junior capital companies and venture capital pools such as Vencap Equities Ltd. and the Alberta Stock Savings Plan. On another level, the government has assisted in market development and has established one of the best-developed and most cost-effective transportation systems in Canada.



JOINT FEDERAL/ PROVINCIAL COOPERATIVE INITIATIVES

The Alberta Government has pursued a number of joint planning and coordination agreements with the Federal Government:

THE CANADA/ALBERTA ECONOMIC AND REGIONAL DEVELOPMENT AGREEMENT (ERDA)

The ERDA Agreement, signed in 1984, established a framework for increasing federal/provincial cooperation in realizing the economic and regional development potential of the province. A number of specific initiatives have been undertaken under the ERDA umbrella, in the areas of forestry, agricultural processing, northern development, tourism, science and technology and transportation.

THE BUSINESS IMMIGRATION PROGRAM

Through this program, immigration status is granted to business immigrants who invest in job-generating businesses in Canada. The program has proven particularly attractive to international investors and entrepreneurs looking to explore opportunities in Alberta. The program encompasses manufacturing businesses, wholesaling, retailing and distributing enterprises and some consulting services, as long as the business employs one or more Canadian residents other than the applicant and his or her dependents. In addition, the "Investor Category" paves the way for business immigrants with personal net worth of \$500,000 who are willing to invest at least \$250,000 in a qualifying project.

COMPONENTS OF ALBERTA'S DIVERSIFICATION STRATEGY

In addition to these federal/provincial initiatives, the Alberta Government has encouraged diversification by pursuing its own policies and programs to encourage and foster private sector investment. Several of the more important components of Alberta's diversification strategy are highlighted below:

ALBERTA STOCK SAVINGS PLAN

By attracting new investors to the equity market, the Plan encourages the provision of equity capital for new and growing Alberta companies. This investment vehicle benefits investors by entitling them to a credit against Alberta tax payable, based on the purchase of eligible shares listed on the Alberta Stock Exchange.

VENCAP EQUITIES ALBERTA LTD. (VENCAP)

This \$244 million venture capital fund was established through the public sale of shares and a loan from the Alberta Heritage Savings Trust Fund. VENCAP invests in Alberta corporations with substantial growth prospects and the potential to further diversify the economy. While the company considers investments of any size, it is particularly attracted to opportunities involving equity capital in a range from \$1 million to \$10 million. As a publicly-owned company, VENCAP's primary aim is to operate profitably and in the best interests of its shareholders.



THE SMALL BUSINESS EQUITY CORPORATIONS PROGRAM (SBEC)

This program is designed to stimulate the formation of privately organized and managed pools of equity capital to invest in eligible small business throughout the province. Having been formed, these equity capital pools now provide Alberta small business with access to new and larger sources of equity capital within the province.

ALBERTA HERITAGE FOUNDATION FOR MEDICAL RESEARCH

Alberta's reputation as a world leader in medical research rests in part on programs offered since 1979 through the Foundation. By supporting basic and clinical scientists in Alberta hospitals and universities, the Foundation has built a balanced program of medical research. Activities are directed towards the discovery of new knowledge and its application to improved health care, with support provided over a broad spectrum of disciplines including biochemistry, microbiology, pediatrics, immunology and neurology.

ALBERTA RESEARCH COUNCIL

Created in 1921 to further economic growth through research and development of the province's resources, this Crown Corporation actively promotes economic development through science and technology. Six major areas of activity include industrial and engineering research, advanced technologies,

applied sciences, oil sands, coal, and natural resources research. One of the Council's highest priorities is to work closely with industry, providing businesses with research capabilities not available in the private sector.

As one example of how the Council achieves this mandate, the ARC Biotechnology Pilot Plant was established in 1985 to carry out biotechnology research and to assist industrial clients in commercializing their biotechnology processes through the scale-up of laboratory research production. With the completion of a \$2.6 million fermentation facility – the first of its kind in Canada – Alberta's biotechnology companies have a competitive advantage in the production and entry of new products into world markets.

ALBERTA LASER INSTITUTE

Located at the University of Alberta, the Institute encourages and assists Alberta industry with the development and implementation of laser systems that will provide more cost-effective production technology. By providing companies with research and development assistance in information and automation technologies, the Institute assists Alberta companies to become more competitive.



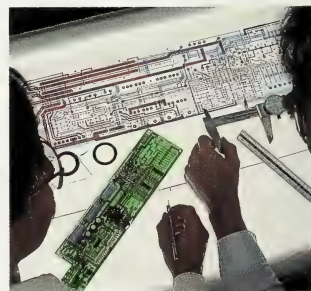
ALBERTA MICROELECTRONIC CENTRE

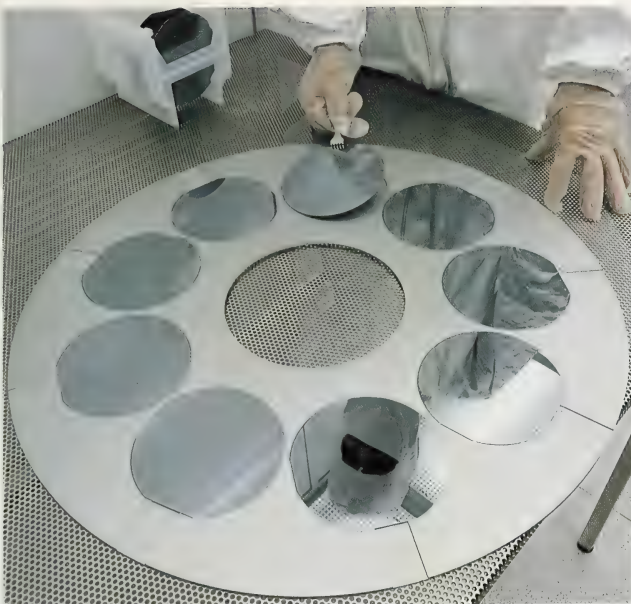
This non-profit organization acts as a focal point for new microelectronic technology. It offers a variety of education, training, consulting and research services to Alberta business and industry. Initially funded by the federal government and supported by the provincial government, the Centre at the University of Alberta in Edmonton has additional research facilities at the University of Calgary. Research activities include integrated circuit design, CAD software development, device physics, integrated sensor research, and integrated circuit prototyping.

The Centre's Calgary Design and Engineering Application Facility was opened in September 1986, to design prototypes of custom microchips for the industry and to research projects significant to the electronics industry. Complementing this facility, the Centre's Edmonton Fabrication Facility was opened in December 1986, to manufacture custom-designed silicon chips. Together, these facilities provide assistance to companies involved in microelectronics and contribute to the industry's growth in Alberta.

ELECTRONICS INDUSTRY INFORMATION CENTRE

As the development of electronics products is directly linked to the availability of technical information, the Centre was established in 1985 to give the industry virtually "instant" access to current information, providing the springboard for the creation of new products and new concepts. Through its computerized network, which is linked to an information bank, Alberta manufacturers have access to the most up-to-date technical and design information available.





UNIVERSITY OF CALGARY SUPERCOMPUTER

This joint venture project involves private enterprise, the University of Calgary and the provincial department of Technology, Research and Telecommunications. With an objective of encouraging research and training in vector computing technology and developing leading edge application software, the project provides a research facility for Canadian universities and attracts world class academic and industrial research in Alberta. The Alberta Government has allocated \$10 million of computer time to industry and the universities for research and development over the five-year period that began in 1985.

ALBERTA TELECOMMUNICATIONS RESEARCH CENTRE

The Centre focuses on research in optical communications, with an emphasis on fibre optics and computer-aided design of micro-electronic products and services.



ELECTRONICS TEST CENTRE

Sponsored by the Alberta Research Council and funded in part by a \$6.2 million capital grant from the Alberta Heritage Fund, this facility provides evaluation and research support to the electronics industry. The Centre conducts rigorous product tests and evaluations in telecommunications, medical electronics, data processing, office automation, and process instrumentation. The Centre can verify that products and designs conform with product safety codes, including certification testing to CSA, UL and other standards. The Centre can also act as an agent on behalf of a manufacturer to obtain product approvals.



Jointly funded by the Government of Alberta, the University of Alberta and Bell Northern Research, the Centre encourages industry to share in the benefits of pooled research and development in the rapidly-evolving telecommunications field.

CENTRE FOR FRONTIER ENGINEERING RESEARCH (CFER)

A unique "consortium" of consulting companies, energy companies, petroleum service companies, steel producers and fabricators, universities and government, this non-profit organization encourages research related to materials, design and construction for Arctic and offshore resource development. In addition to its own research program, CFER enhances the research efforts of industry in pioneering ways to increase productivity in frontier development.

THE FOOD PROCESSING DEVELOPMENT CENTRE

Established in 1984, the Centre helps Alberta food processors to apply new technology to the development and packaging of products and fosters the applications of new processes. An information service is available to acquire, interpret and adapt scientific and technical literature to resolve specific technical problems, and product development laboratories are available for product formulation, ingredient assessment and microbiological analysis. Pilot plant equipment simulates industrial production to assess product and process performance.

ALBERTA MOTION PICTURE DEVELOPMENT CORPORATION

Since it was formed in 1981, the Corporation has been successful in meeting its mandate to stimulate the growth of Alberta's film and video production industry by making loans or guaranteeing loans to qualified producers. The Corporation may make loans or guarantees of up to 60% of the total funds required for the pre-production stage. The Corporation's success has led to other Canadian provinces establishing similar organizations.

SPECIAL WASTE MANAGEMENT CORPORATION

In response to an industry-wide need, this Crown Corporation was established in 1984 to oversee the planning, development and management of a special hazardous waste system in Alberta. The Corporation owns the site on which a private developer is constructing a \$45 million special waste disposal plant. The plant will have an initial capability of treating and disposing of some 20,000 metric tonnes a year.



Alberta's Opportunity Industries



ENERGY RESOURCES

Mineral production, valued at approximately \$17.4 billion in 1986, continues to be a strong force in the Alberta economy. Major contributors were crude oil and equivalent production which accounted for approximately \$8 billion, and natural gas and natural gas by-products which accounted for approximately \$7.9 billion. Sulphur production was valued at \$874 million, while coal sales generated \$438 million.

CRUDE OIL

Following 30 years of major oil production the province's established reserves of conventional crude stood at 648 million cubic metres (4 billion barrels) at the beginning of 1986. Most reserves are of light and medium gravity, with a low sulphur content, and are produced in fields in central northwestern Alberta. Smaller amounts of heavy gravity crude oil are present in east-central and southeastern regions.

Most crude oil production finds its way outside the province. In 1986, net production of crude oil and equivalent liquids was 74.8 million cubic metres (471 million barrels). While 23 % was consumed in Alberta, 44 % was shipped to other Canadian provinces (primarily Ontario) and 34 % was exported to U.S. refineries.

OIL SANDS AND SYNTHETIC OIL

Oil sands deposits underlie 60,000 square kilometres of northern and eastern Alberta. An estimated 266 billion cubic metres of bitumen are in place in the four Alberta oil sands deposits. The importance and potential of these relatively untapped reserves have increased dramatically in recent years as conventional crude oil supplies have decreased and sophisticated recovery techniques have been developed.

The largest oil sands deposit is found in northeastern Alberta, adjacent to the Athabasca River, where beds of oil sands are exposed at the surface. The Athabasca area contains some 212 billion cubic metres (1,334 billion barrels) of crude bitumen in place, from which approximately 4 billion cubic metres (25 billion barrels) of synthetic crude are recoverable using present technology. The larger of two commercial plants currently operating in the Athabasca deposit produces 130,000 barrels per day of synthetic oil and a Capacity Addition Project will increase this to 150,000 barrels per day by 1988. The second plant produces 50,000 barrels daily.

Although oil sands along the Athabasca River can be exploited by open-pit mining, 95 % of deposits in the Athabasca area are too deep to be accessible by this technique. The same applies to all of the reserves contained in the remaining deposits, which must be developed by what are known as "in-situ" techniques. These involve the injection of steam to mobilize the oil or the injection of air to support underground combustion, enabling the oil to flow to the surface.





In 1986, there were seven commercial-scale in-situ steam drive recovery projects operating in the Cold Lake area, and one operating in Peace River. At year-end 1986, 59 experimental oil sands and heavy oil schemes were operating in Alberta, most of them involving in-situ recovery techniques.

Underscoring the importance of oil sands development to the growth and stability of the provincial economy, the Government of Alberta in 1976 established the Alberta Oil Sands Technology and Research Authority (AOSTRA). The mandate of AOSTRA is to promote research and development of technology, leading to the efficient and economic recovery and processing of crude bitumen and other oilsands products. AOSTRA's involvement in technology development ranges from academic and institutional research to support for large-scale field pilots and demonstration units in cooperation with the private sector. Since 1976, the Alberta Heritage Savings Trust Fund has invested \$351 million in AOSTRA.

NATURAL GAS AND LIQUID CO-PRODUCTS

Alberta's abundant deposits of natural gas represent a major resource. Total remaining established reserves of marketable gas at the end of 1986 were estimated at 1.64 trillion cubic metres (58.3 trillion cubic feet). Of the 68.2 billion cubic metres (2.420 billion cubic feet) of natural gas produced in Alberta in 1986, 30% was consumed within the province, 40% shipped to other Canadian provinces and 27% exported to the U.S.

During the past 25 years, the petroleum industry has developed highly sophisticated technology for processing the large percentage of Alberta natural gas which is wet and/or sour, containing sulphur and liquid co-products such as propane, butanes and pentanes-plus. Excluding refinery production, Alberta produces approximately 95% of Canada's pentanes-plus, propane and butanes, most of which go to other Canadian provinces or the United States.



AGRICULTURE

Farming is a major industry in Alberta, accounting for more than \$2 billion in foreign exports annually. Grain and grain products are sold throughout the world, while livestock and livestock products appear on markets across North America, in Europe and Asia.

More than 20.2 million hectares (50 million acres) of rich agricultural land are devoted to crop and livestock production. As many as 8.1 million hectares (20 million acres) can be added to farmland inventory in the future. Today, land clearing and breaking continues to bring new land into production, particularly in north-western Alberta. With this prime agricultural land, Alberta has developed one of the most productive agricultural economies in the

world, producing 20% of the total Canadian output.

The trend in Alberta agriculture is toward larger farms through consolidation. Reflecting the dramatic technological change which has taken place since the early 1960s, a single producer can now operate vast tracts of land with equipment that accomplishes more in an hour than could be achieved in a day 20 years ago.

Total crop production in Alberta has more than doubled in the past 20 years, rising from 9.4 million tonnes in 1961 to more than 21 million tonnes in an average year during the 1980s. Wheat production alone exceeds 6.5 million tonnes annually, and production of new crops and different varieties of existing crops continues to expand.

Table 4 Petroleum and Natural Gas Production – 1986

PRODUCT	ESTIMATED PRODUCTION VOLUME	ESTIMATED VALUE OF PRODUCTION (\$ Million)
Conventional Light and Medium Crude Oil	45,954 (Mm3)	5,779
Pentanes Plus	5,803 (Mm3)	758
Synthetic Crude Oil	10,695 (Mm3)	1,309
Heavy Crude Oil	6,972 (Mm3)	675
Crude Bitumen	5,402 (Mm3)	499
Natural Gas	68,235 (MMm3)	5,938
Ethane	4,709 (Mm3)	255
Propane	5,365.5 (Mm3)	401
Butanes	3,686.5 (Mm3)	345

Mm3 = Thousand cubic metres
MMm3 = Million cubic metres

Source: Energy Resources Conservation Board

Livestock production has also grown significantly. Alberta maintains the largest livestock population of the western Canadian provinces, accounting for 48 % of the cattle and calves, 41 % of the hogs, and nearly 55 % of the sheep and lambs. New breeds introduced during the late sixties and early seventies have increased productivity in Alberta's beef industry. In the dairy industry, per-cow production has climbed steadily, new dairy products have been added and cheese production has expanded.

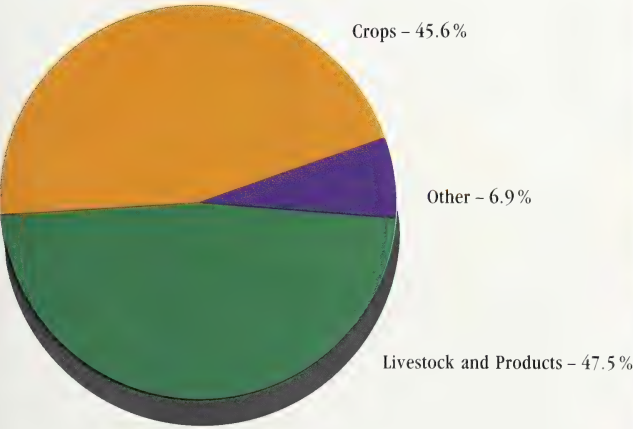
Dramatic changes in the hog industry, including the move toward controlled-environment hog barns, allow individual farmers to raise more hogs than in the past.

Farmers specializing in poultry production have also upgraded facilities to improve production capabilities, feed conversion and output.

Alberta leads Canadian provinces in the production of honey. Honey production normally exceeds 10 thousand tonnes annually, and is shipped to markets around the world.

Complex farm finance structures, increased specialization and capitalization have created individual farm businesses with investment of close to, or over, \$1 million. Alberta farmers, recognizing the need for extensive knowledge of all aspects of their business, are well educated and trained to handle these complexities.

Chart 1 Alberta Farm Cash Receipts – 1986



1986 Total Farm Cash Receipts = \$3,841.1 million

Source: Alberta Bureau of Statistics

FORESTRY

Alberta's forests are the largest remaining timber resource in North America. Forests cover some 370,000 square kilometres (143,000 square miles), well over half of the province's area.

Tremendous potential exists to expand the development of these resources. The softwood harvest is less than half of the 14.2 million cubic metre annual allowable cut, and loggers touch little more than 500,000 cubic metres of the 6 million cubic metre hardwood quota.

In 1986, the value of shipments in the forest products industry topped the \$1 billion mark. Together, the province's two dozen major sawmills produce more than 1.3 billion board feet of lumber a year. Other large-scale operations include two bleached kraft pulp mills, three plywood mills, three oriented-strandboard plants and Canada's first medium density fibreboard plant. A number of new forest projects are currently being developed or are in the planning stages.

In Alberta, forests are managed for multiple uses. Reforestation policies ensure that Alberta will have a viable forest industry over the long term, and reflect a determination to preserve the natural beauty, wildlife, and recreational potential of the province's forests.



COAL

Alberta coal represents an impressive source of primary energy and potential feedstock for synthetic fuels and chemicals. Formations underlie approximately 300,000 square kilometres (115,800 square miles) in the Plains, Foothills and Mountain regions.

Grades and potential uses of Alberta coal vary widely. Most coal mined in the province is sub-bituminous, the major type found in the Plains region. Deposits are often extracted in open-pit mines and burned "as-mined" in thermal power generating stations close to the mine site. In the future, coal could be used as feedstock for synthetic natural gas plants, manufacturing liquid fuels, enhanced oil recovery, and oil sands recovery.

Bituminous coals, found in the Mountains and Foothills regions, are good for use as fuel. Mountain coals range from semi-anthracite to high-volatile bituminous, although the majority are low- to medium-volatile bituminous metallurgical, used in coking and steel production. Foothills coals are generally high-volatile bituminous thermal, used for power generation. The majority are surface-mineable.

In 1986, production totalled 24.4 million tonnes, more than in any other Canadian province. Of this, 69% was sub-bituminous and 31% bituminous.

Remaining recoverable reserves of coal are estimated at 24 billion tonnes, about 82% of which is sub-bituminous and 18% bituminous. Recoverable reserves of high-volatile bituminous thermal coal are estimated at 1.7 billion tonnes. These coals are exported to Ontario, Japan, Korea, and Europe for power generation. Recoverable reserves of low- and medium-volatile bituminous metallurgical coal are estimated at 1.6 billion tonnes. These coals are exported mainly to Japan, Korea and Brazil.



ELECTRIC POWER

Throughout the world, the availability of electrical energy at a reasonable cost is important to industrial development. Alberta is fortunate to have both hydroelectric generation and an abundance of coal and natural gas.

Extensive transmission lines connect power plants to major consumption areas on the power grid in Alberta. The grid reaches all but the most remote areas of the province, which are served by isolated plants. Power is provided by private utility companies and municipalities.

Total net generation from all sources in 1986 was 31,635 gigawatt hours (GWh). Hydro-electric generation accounted for 1,791 GWh of total net generation and

was provided by plants on the Bow River system west of Calgary and the North Saskatchewan River system adjacent to the central Alberta foothills. Hydro capacity is estimated at 5,200 GWh per year. Thermal generation is provided by coal and natural gas-fired plants. Much of the sub-bituminous coal used for power generation is located close to major electric energy load centres. Fuel sources have shifted away from natural gas and hydro to coal over the last 10 years. Net installed capacity, from all sources, was more than 6,887 megawatts at year-end 1986.

NON-FUEL MINERAL RESOURCES

Alberta is also richly endowed with non-fuel mineral resources. These "industrial minerals" are the building blocks for a variety of industries, primarily the construction and chemical industries.

Construction-oriented minerals include raw materials for cement, ceramics and building products manufacture, and others used essentially unaltered for aggre-



gates. Alberta's deposits are sufficiently developed to supply both local and export markets.

Construction aggregates constitute by far the largest volume of industrial mineral production in Alberta. Sand and gravel, with annual production of over 40 million tonnes, are the major minerals used. Manufactured lightweight aggregates, mainly expanded clays and shales, have specialized applications for large urban construction projects.



Table 6 Value of Manufacturing Shipments – 1986

INDUSTRY	\$000	% OF TOTAL
Food	3,438,226	22.3
Beverage	368,640	2.4
Forest Products	1,038,029	6.9
Printing and Publishing	625,851	4.1
Primary Metal	644,265	4.2
Fabricated Metal	751,811	4.9
Machinery	565,976	3.7
Non-Metallic Minerals	570,785	3.7
Refined Petroleum Products	4,481,000	29.0
Chemical and Chemical Products	1,996,268	12.9
Electrical Products	260,000	1.7
Plastic Products	245,000	1.6
Consumer Products	350,000	2.3
Other	98,785	0.7
Total	\$15,434,636	100.0

Source: Statistics Canada – Estimated Value of Shipments of goods by own manufacturer – Cat. No. 31-001



major petrochemical products include ethylene, methanol, a number of associated derivatives and co-products, and fertilizer materials such as ammonia and urea.

Food and beverage production in Alberta ranks second to petroleum refining, and plays a major role in the economy. In 1986, food and beverage firms accounted for 24.7% of all manufacturing shipments with the food sector's value of shipments totalling \$3.43 billion and the beverage industry's output reaching \$369 million.

The primary metal manufacturing industries, which include steel mills and pipe and tube mills, had shipments valued at \$644 million in 1986. The fabricated metal products industry leads in the number of manufacturing establishments, and many of these companies are small and innovative enterprises pursuing diversified markets and product lines.

Economic growth and diversification have resulted in the emergence of advanced manufacturers of electrical, telecommunications and aerospace products. Other sectors such as plastics and consumer products are also increasing in importance.

MANUFACTURING

As the Alberta economy expands and diversifies, prospects for further growth of the province's manufacturing industry are encouraging. In 1986, the sector provided employment for 89,000 people, (approximately 8% of the labour force), and the value of manufacturing shipments totalled \$15.4 billion.

During 1986, the refined petroleum industries had shipments valued at \$4.48 billion, while the chemical and chemical products industry shipped goods valued at approximately \$2 billion. Alberta's

Table 5 Non-fuel Mineral Production – 1986*

INDUSTRIAL MINERALS	VALUE (000's)
NON METALLICS	
Peat Moss	\$ 17,821
Quartz	4,500
Salt	22,203
Sodium Sulphate	4,098
Sulphur, Elemental	874,186
Total Non Metallics	\$ 974,808
STRUCTURAL MATERIALS	
Clay Products	\$ 10,160
Cement	124,951
Lime	21,437
Sand and Gravel	108,000
Stone	2,925
Total Structural Materials	\$ 276,473
Total Non Fuel Minerals	\$1,242,281

*Preliminary

Source: Statistics Canada — Canada's Mineral Production, Cat. No. 26-202

Alberta is one of the world's largest producers of sulphur from hydrocarbon sources, producing 97% of Canada's total. In 1986, marketed production of sulphur from gas processing plants, as well as a small amount recovered from the processing of oil sands, was 5.3 million tonnes, valued at \$874 million. Interest in sulphur has increased significantly over the past decade, resulting in higher prices for Alberta production.

In addition, potential has been identified for the development of Alberta's deposits of non-metallic and metallic minerals. Non-metallic minerals include bentonite, peat moss and dolomite, while metallic minerals include uranium, molybdenite, copper, lead, zinc, iron ore, magnesium, titanium, vanadium and nickel.

COMMUNICATIONS

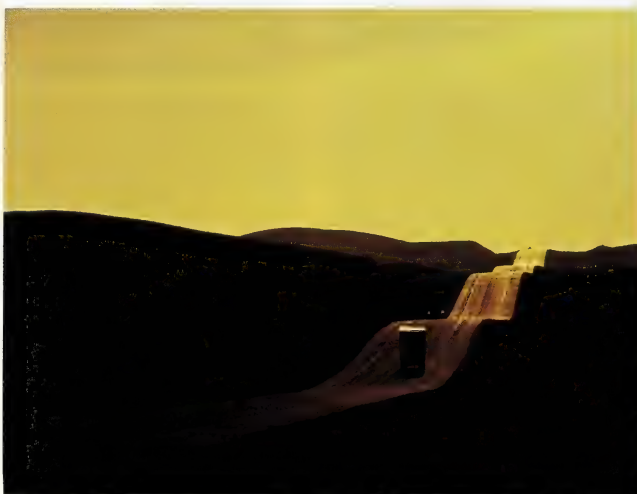
Alberta has excellent communications networks, connecting communities within the province and linking Alberta to every corner of the world.

Radio and television, both public and private, extend to all parts of the province. Alberta is served by 41 AM and 15 FM radio broadcast originating stations as well as 67 rebroadcast stations and 16 National Park information stations. Eleven television stations operate in major centres with 113 rebroadcast stations ensuring province-wide coverage. In addition, all communities with 1,000 households or more, along with a number of smaller communities, enjoy some form of enhanced TV reception thanks to cable systems or subscription television services.

Ten daily newspapers are published in major cities, including Edmonton, Calgary, Lethbridge, Medicine Hat, Red Deer, Grande Prairie, Fort McMurray and Lloydminster. As well, 140 weekly newspapers have gross circulation of over one million. The magazine publishing trade is growing in Alberta, serving such specialized fields as the oil industry, agriculture, leisure and business development.

The 1.7 million telephones currently in operation translate into 74 units per 100 population, and the more than 3.3 billion calls made in 1986 place Albertans among the country's leading telephone users.

Alberta Government Telephones, the principal telephone company in the province, operates the public switching network as well as specialized networks for data transmission, broadcast relay, and private networks throughout the province. The system embodies advanced digital networking and fibre optics technology. Other communications



systems include a microwave network, two large teletype systems, a wire service, the largest general mobile radio communications network in North America and two cellular networks.

As part of a sophisticated telecommunications system, Alberta offers economical access to satellite and other forms of long distance communication, allowing citizens and businesses to maintain international ties.

TRANSPORTATION

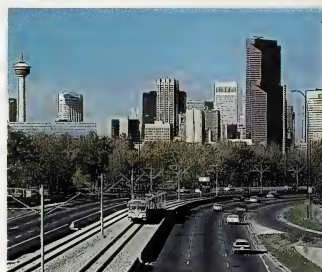
The development of modern transportation networks has been important to the economic transformation of the province. Better transportation facilities have also contributed to improved quality of life, particularly in smaller communities.

Today, more than 15,000 kilometres (9,000 miles) of paved highways and roads link major

centres in the province. As well, first class arterial roads and highways link up with similar main highways in adjacent provinces and American states.

Two major railway companies serve Alberta: the Canadian National and the Canadian Pacific. Approximately 11,000 kilometres (6,600 miles) of line provide connections east and west to ocean ports as well as to the Canadian north, and south to the United States.

Air transportation plays a vital role. Provincially-based firms make use of 89 licensed and several unlicensed airports to provide a variety of services ranging from air charters and aerial surveys to pipeline inspection. Both pas-



senger and air cargo activities have expanded rapidly in Alberta in recent years.

Two major airlines, Canadian Airlines International and Air Canada, provide scheduled regional, national and international passenger and air freight services. Canadian Airlines International is also a major regional carrier of passengers and freight especially into the north, while Time Air serves several Alberta communities. A number of U.S.-based carriers provide Calgary and Edmonton with international flights; Wardair serves Alberta with international charters.

Ten Alberta cities currently operate public transit systems. The existing light rail transit system in Edmonton, the first project of its kind in western Canada, is being expanded. As well, two legs of an ultimate three-leg transit system are operating in Calgary.

The government is committed to assisting the development of high-capacity thoroughways in each of Alberta's major centres. These are designed to connect major highways, help move trans-city traffic and act as major internal arterials for the cities.



TOURISM

Tourism plays an important part in the Alberta economy, involving thousands of businesses in a variety of sectors. In 1986, the industry supported the equivalent of 74,000 full-time jobs and generated revenues of \$2.3 billion. This was approximately four times the amount earned by the industry a decade earlier, and reflects the growth and maturity of the industry.

The growth in tourism markets, both resident and non-resident, has been accompanied by corresponding growth in industry capacity. Parks and recreation facilities, transportation systems and accommodation services have all been expanded and improved. Between 1972 and 1986, for example, the number of hotel/motel rooms in Alberta virtually doubled, increasing from 24,934 to 48,260.

With Canada's largest share of national and provincial park space, Alberta has tremendous all-season tourism appeal. Beyond such well-known destinations as Banff, Jasper and Waterton Lakes National Parks in the spectacular Rocky Mountains, Alberta has a multitude of attractions.

Foremost among these are the United Nations-designated World Heritage Sites of Head-Smashed-In Buffalo Jump, Wood Buffalo National Park, Dinosaur Provincial Park, and the province's mountain parks. The Tyrrell Museum of Palaeontology in Drumheller, which takes visitors back in time to the days of dinosaurs, has also proven a popular destination. Travellers from around the world plan at least one day at West Edmonton Mall, the world's largest shopping centre and the only one with its own tourism department.

Other Alberta attractions include beautiful northern regions with abundant wildlife, scenic farms and ranches, and dynamic cities such as Edmonton and Calgary, each a cosmopolitan centre with its own unique urban attractions. Alberta's diverse traditions come to life in celebrations such as the Calgary Stampede and Edmonton's Klondike Days. A number of special events are held throughout the summer, and range from small town rodeos to Edmonton's Heritage Days Festival and the internationally-recognized Banff Television Festival. Having hosted



the 1978 Commonwealth Games and the 1983 World University Games, Albertans are well aware of the logistics of welcoming thousands of visitors at one time, and are eminently qualified to welcome the world for Calgary's XV Olympic Winter Games in 1988.



The World of Opportunity



Alberta has long been a receptive and profitable location for foreign and domestic investment. The introduction of the Investment Canada Act and the abolition of the Foreign Investment Review Act signalled the easing of foreign investment controls in Canada and greatly improved prospects for business activity in the country.



INTERNATIONAL TRADE

International trade represents a key component of Alberta's economic activity and accounts for 21% of the province's gross domestic product. In 1986, Alberta exported approximately \$11.5 billion worth of goods and services. This accounted for 10% of Canada's exports – a substantial contribution to the trade performance of the entire country.

The province continues to rely on exports of primary products as production levels far exceed the requirements of the domestic population. Secondary products are playing increasingly important roles as the provincial economy has diversified into new areas of activity.

The Investment Canada Act encourages new investment by eliminating the review process for smaller acquisitions and the establishment of new businesses, and streamlines the assessment of larger acquisitions.



EXPORT MARKET DEVELOPMENT

The United States is Alberta's largest trading partner, accounting for approximately 72 % of total exports in 1986. This market has traditionally received the bulk of Alberta's exports and will continue to be a major trading partner. However, as Alberta continues to gain a worldwide reputation as a reliable and sophisticated trade partner, increasing amounts of Alberta's goods and services are being directed toward other geographical sectors.

In 1986, the Asia Pacific Region accounted for 12 % of Alberta's exports, while sales to Europe represented 6 % and markets in Latin America, Africa and the Middle East together totalled approximately 10 %.

Export development is being approached with imagination and innovation. Private sector companies and entrepreneurs are the prime actors in expanding trade, and are pursuing further market development opportunities throughout the world.



Complementing Alberta's strong international trade performance is a provincial government commitment to stimulate an environment in which Alberta businesses are able to competitively participate in the global marketplace. Among the mechanisms established to accomplish this are the organization of trade shows and the operation of a number of foreign offices abroad. Small business, in particular, is encouraged to utilize the resources of the provincial Trade Development Division, which provides advice and consultation services in such areas as market identification, market development, trade promotion and transportation services.

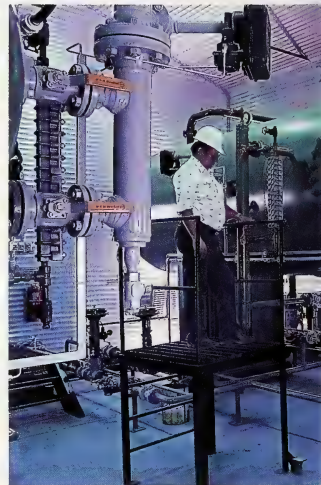
Each year, government and industry cooperate in mounting a series of missions abroad. Their purpose is to acquaint foreign buyers with the scope of Alberta industries and manufactured goods available, and the favorable political and business environment which welcomes – and facilitates – foreign investment and international trade.

COOPERATIVE INITIATIVES

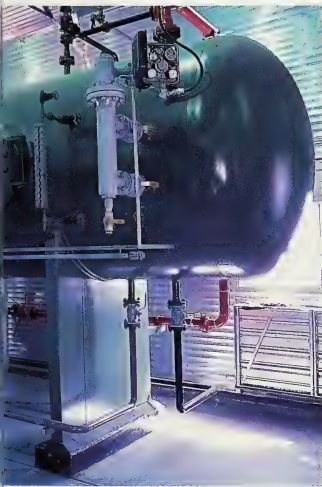
Recognizing its responsibilities as a member of the world community, Alberta has had an official international development assistance and emergency relief fund in effect since 1974. The Government of Alberta supplements funds raised in the province by non-governmental organizations involved in international assistance projects in developing countries. During the 1986-87 fiscal year, the program contributed over \$6.5 million to support 366 projects, rural and community development programs, health and medical services, potable water systems and vocational training programs.

The Alberta Government also participates in direct development projects. For example, the Alberta Oil Sands Technology and Research Authority makes certain analysis and testing services available to developing countries with similar hydrocarbon resources.

Alberta also recognizes the value of interchange of ideas in the scientific, technological and academic fields. Exchanges are



encouraged in areas such as soil recovery technology, energy administration, medical research and northern region studies. At the forefront of research related to oil sands development, heavy oil production and enhanced recovery techniques, Alberta has co-operation agreements in these fields with nine countries.



effective bridging mechanism, facilitating cooperation and exchange between different cultures. In addition, they allow Albertans to build a common ground for cooperation in areas such as resource development, science and technology, medicine, industry and agriculture, as well as in culture, sports and education.

The Alberta Government maintains offices in London, Tokyo, Hong Kong, New York, Los Angeles and Houston. The offices represent and communicate Alberta's interests abroad, and collect and channel back to Alberta information of interest to the government and private sector. Assistance is also provided to Alberta's private and public sectors pursuing activities in each region.

Alberta is currently involved in three special relationships with provinces in Japan (Hokkaido), China (Heilongjiang) and South Korea (Kangwon). The partnerships between Alberta and its three sister provinces are founded upon similarities in climate, geography and natural resources, and are based on Alberta's strong economic interest in Asia. Affiliations between the regions provide an

Table 7 Alberta's Commodity Exports by Country - 1986
Preliminary Estimates

COUNTRY	\$000
United States	7,538,760
Japan	674,766
Union of Soviet Socialist Republics	413,774
Republic of South Korea	191,572
Brazil	148,922
People's Republic of China	140,016
Morocco	136,123
Taiwan	103,747
Australia	81,125
India	64,248
United Kingdom	61,373
Netherlands	61,134
Cuba	59,936
Tunisia	57,030
South Africa	54,526
Indonesia	48,041
German Democratic Republic	41,691
France	41,597
Belgium/Luxembourg	36,312
Saudi Arabia	36,218
Total	\$ 10,484,274

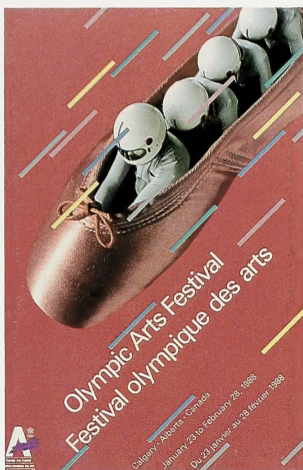
Source: Statistics Canada

Note: Export statistics do not include the value of services sold to these countries.





The Alberta Way of Life



A vast and beautiful natural environment, a world-class recreational system, a culture rich in diversity, modern health care and social services, tremendous opportunities for career and personal growth – all contribute to the unique and prosperous Alberta lifestyle.

This lifestyle thrives in the province's smaller cities and towns, and in the urban centres of Calgary and Edmonton, both cosmopolitan cities with populations well over the half-million mark. Calgary, host city for the XV Olympic Winter Games, has long been known as Canada's "jewel of the Rockies." The provincial capital of Edmonton, located on the banks of the North Saskatchewan River, has preserved much of the river valley in the largest urban park in Canada, and is the site of the country's second-largest university. While each city has its own distinctive personality, both rank among the safest, and the cleanest, cities in North America.

RECREATION— ALBERTANS KNOW HOW TO LIVE!

Downhill and cross-country skiing in winter – fishing and high-country camping in summer. The recreational opportunities in Alberta are outstanding, especially in national and provincial parks which are known for superb ski-

ing, hiking, golfing and camping. With multi-seasonal facilities in urban centres, Albertans can spend a day in the surf at an indoor beach in mid-winter – or play hockey at an indoor rink in mid-summer.

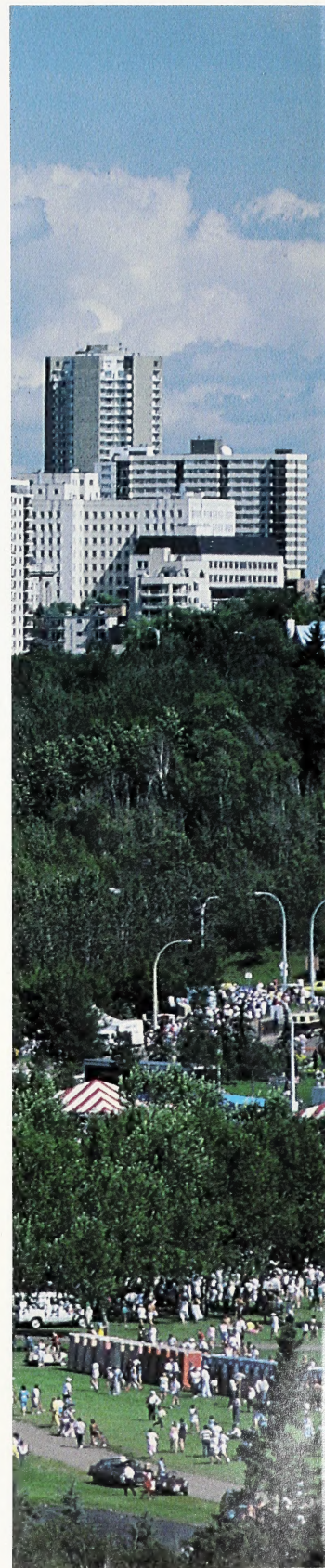


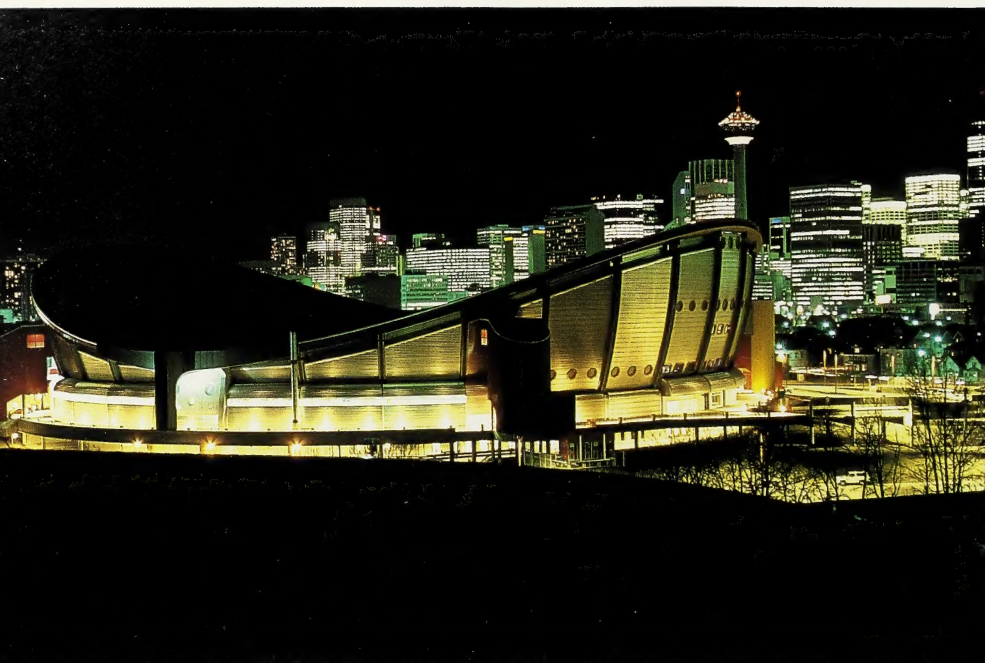
A VARIED, VIBRANT CULTURE

Alberta's cultural community is equally dynamic. Live theatre, dance, opera and symphony all have earned reputations that reach beyond the provincial borders, and the visual and performing arts communities are a vibrant part of Alberta's way of life. As part of the Olympic Winter Games, Calgary is hosting a \$10 million Olympic Arts Festival, bringing together 2,200 artists in 18 arts disciplines in a 5-week celebration of artistic excellence.

Albertans take part in a tremendous variety of multi-cultural activities that are held all year round. Diverse ethnic and cultural groups, both alone and through government support programs, maintain and develop their traditions.

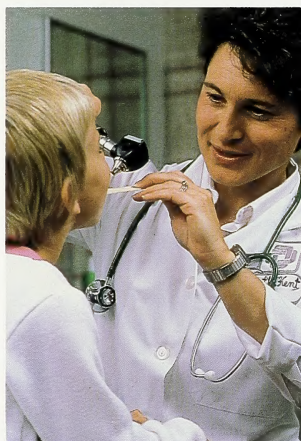
Programs also support the visual, performing and literary arts, as well as museums and historic sites. The two major museums are the Glenbow Institute in Calgary and the Provincial Museum in Edmonton. Alberta's cultural agencies and groups receive Federal Government support through such agencies as the Canada Council.





ALBERTA'S OLYMPIC LEGACY

When the XV Olympic Winter Games draw to a close, Albertans will inherit some of the best recreational facilities in the world. Nakiska at Mount Allan, the site of the Olympic alpine events, offers superb downhill skiing for Albertans and their guests. Cross-country skiers find seemingly endless trails and spectacular mountain scenery at the Canmore Nordic Centre. The Calgary Olympic Saddledome, Canada Olympic Park and facilities at the University of Calgary have already become part of this legacy for Albertans and for visitors to the province.



HEALTH CARE AND SOCIAL SERVICES— SECOND TO NONE

The Alberta Health Care Insurance Plan provides basic health and hospitalization coverage for all citizens. Coverage includes the services of general practitioners, medical specialists, osteopaths, chiropractors and podiatrists. Special subsidized rates are available for low-income individuals and families. All senior citizens receive free coverage which includes hearing aids, eye glasses, dental work and dentures, and some prescribed medical appliances.



PROTECTING THE ENVIRONMENT

Environmental legislation and guidelines are administered by the Department of Environment, reflecting the desire of Albertans to protect the quality of the environment for future generations. The Department has the authority to prevent and control pollution of air, water and land, to manage water resources, conserve land and conduct environmental research. In addition, the Energy Resources Conservation Board ensures the orderly development of energy resources. Large tracts of protected parks and wilderness areas have been set aside to ensure preservation of land, forest and wildlife, and to provide the backdrop for a widely-varied recreational lifestyle.



INTERNATIONAL REPRESENTATIVES

The Alberta Government maintains offices in strategic locations around the world. Our international office representatives can provide all the information required to initiate commercial or technological exchanges. They can also introduce potential investors to the unlimited opportunities available in Canada's Olympic Province. Feel free to use their services.

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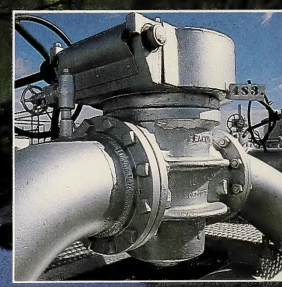
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Alberta

ECONOMIC DEVELOPMENT
AND TRADE

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